Philpott 216 Study Water Supply Work Group

Minutes, September 4, 2007 Conference Call

Participants: Allen Piner, Bob Dowd, Andy Lash, John Lindsey, Ben Lane, Bud Laroche, Richard Lewis, Michael Hosey, Mike Ward, Tammy Stephenson

Introductions were made.

Mr. Lewis gave a study overview and update on the Philpott project. He explained that the 216 study is being undertaken pursuant to Section 216 of Public Law 91-611 (Rivers and Harbors and Flood Control Act of 1970). Through this process, we will review the operations of Lake Philpott and the Philpott Dam. While the primary focus of the study will be on operation and flow releases modification to the structures at Philpott can be considered under this authority. We need to review existing data, determine any data gaps, review models, etc. We should review the John H. Kerr project to see if we can use any of the information or process used for this study. We will need to develop a Scope of Work (SOW) and determine the costs of any needed study(ies).

Mr. Lane said there is a desired schedule for the project. There was a desire for Phase I, as described above, to be complete by the end of September. Phase II is to begin in October 2008, then Phase III will follow. He explained that we do not need to determine how the work will be done (the contractor's proposal will do that) but what work/study needs to be done, the estimated cost and time to complete, and suggested means of accomplishment (for example University; contract by USACE or Virginia; other Federal agency; or in-house by USACE or Virginia, etc.).

Mrs. Stephenson explained the new Virginia Water Supply Planning regulation which appears to meet a lot of the needs of the 216 Study. The Virginia Water Supply Plans, that are required to be completed by all counties, cities, and towns in the Commonwealth, will include current water sources, water uses, resources, and projected demand management, among other elements. The localities in the West Piedmont Planning District Commission elected to complete a regional plan. This plan will include the Counties of Henry, Patrick, and Pittsylvania; the Cities of Danville and Martinsville; and the Towns of Stuart, Gretna, Hurt, Chatham, and Ridgeway. Supporting agencies include the Henry County Public Service Authority, Pittsylvania County Service Authority, and West Piedmont Planning District Commission. Franklin County is also part of this region's watershed. Franklin County elected to participate in the regional water supply plan being completed by the Greater Roanoke Valley region, north of the West Piedmont region. Both regional plans are completing essentially the same elements on the same time frame, so this should work out nicely. What is the time frame and what are the deliverables?

There was discussion about any interest or demands for water supply outside the watershed. Mr. Dowd said there was some interest in the Dan River some time ago by Virginia Beach, but he thought that issues had been resolved. Also, he thought Franklin County would look at Smith Mountain Lake, not Philpott, for water supply. However, Mr. Lindsey thought Franklin County might be interested in purchasing water from Philpott Lake.

Mr. Ward said Henry County has a withdrawal permit below the dam (not a USSACE Philpott Lake permit). They would like to look at increasing the withdrawal limits for future growth needs, and certainly are interested in protecting the existing withdrawal.

Mr. Lane said there are no demands for water outside the watershed, but there may be some interest in purchasing water from outside the watershed.

Mr. Piner said there is no current request for water from Philpott Lake. The original Congressionally authorized purposes for Philpott Lake are flood control and hydropower. However, under Public Law 85-500, Title III, Water Supply Act of 1958, up to 50,000 acre feet, or 15% of existing storage, whichever is less can be reallocated for municipal and industrial (M&I) water supply. At Philpott Lake this equates to approximately 22,000 acre feet of storage available for reallocation to M&I water supply. This authorization does not permit reallocation of existing storage for irrigation water purposes. A blanket authority for minimum environmental releases was added by the Fish and Wildlife Coordination Act (PL 85-624). A water supply storage reallocation at Philpott Lake under provisions of the 1958 Water Supply Act could possibly be sufficient to meet any known or foreseeable needs. The Water Supply Act of 1958 (PL 85-500) does not specifically authorize water supply withdrawal from Philpott, but only provides a blanket authority to allow water supply as a project purpose. The only original specifically authorized purposes for Philpott are flood control and hydropower. A blanket authority for minimum environmental releases was added by the Fish and Wildlife Coordination Act (PL 85-624), A water supply allocation could be re-allocated from any of the other authorized purposes. This may be enough to meet any known or foreseeable needs.

Mr. Piner said the demand study is important, as it will tell us if we need to request that Congress make a specific storage allocation for water supply in excess of what the 1958 Water Supply Act allows.

Mr. Dowd said the West Piedmont Planning District Commission water supply group will discuss this issue.

Mr. Lewis said we need to develop a Scope of Work for water demand for Philpott. We need to lay out what needs to be done, determine a schedule, etc. With our current water supply plan underway, there may not be much if any stage II work to be cone outside of our existing contracts. Not sure what this paragraph says -- could Richard Lewis clarify?

Ms. Stephenson asked if there were any federal funds that could assist the region with completing the water supply plan. Mr. Lane said this was possible if water supply studies are determined to be needed for the Philpott 216 study. We need to explain any study needs in the Scope of Work. Virginia can get work-in-kind credit for any approved work done. After the Scope of Work is developed, we can discuss further. Mr. Dowd asked how long it would take the Corps to make a decision about funding. It was clarified that these would not be funds from the Corps, but federal and nonfederal funds for the 216 Study. A decision should not take long, but actual receipt of funds may take a while. Some small amounts may come from Virginia's current budget to match the federal funds. We could not really discuss funding until more is known about the ongoing water supply planning project in the region. The USACE is not able to issue traditional grants, but the study can issue contracts for approved water supply studies or give Virginia work-in-kind credit for approved water supply studies done in-house or by contract.

The conference call adjourned at 2:10 p.m.

FOLLOW UP TELEPHONE CALL 09/05/07 BETWEEN BEN LANE, ALLEN PINER, AND TAMMY STEPHENSON

USACE said we need to determine a calculated value for water supply so that water supply can be balanced with other resources such as hydropower, flood control, recreation, and fish and wildlife during stage 3 plan formulation and evaluation. Basically, we need to determine how much it would cost for the region to develop another source of water supply if Lake Philpott were not available. This would be the proxy for the of water supply at Philpott Lake. The John H. Kerr project is in this stage, and it might be feasible to include the Philpott project in the same contract to determine the economic value of water supply.

Ms. Stephenson presented this to the West Piedmont Planning District Commission group later this date (9/5/07), and everyone was receptive to the idea.